

# Global subsidies fueling unsustainable production, says new report

OTTAWA, July 31, 2017 — Domestic subsidies in many countries encourage production increases that result in considerable surpluses and lower prices on global markets, according to a new study released today by the Canadian Agri-Food Policy Institute (CAPI). The study also found these production increases fuel highly unsustainable production practices and the misallocation of natural resources.



The comprehensive study, *Understanding Agricultural Support*, was prepared by Al Mussell, Douglas Hedley, Kamal Karunagoda, and Brenda Dyack of Agri-Food Economic Systems, with support from the Canadian Federation of Agriculture and Ontario Ministry of Agriculture, Food and Rural Affairs. The report seeks a better understanding of the impacts of domestic income support programs in key markets and competitors on the competitiveness of Canada's agriculture and agri-food sector.

A summary of the report is available [here](#).

To obtain a copy of the full report (available only in English), please contact CAPI at [devynckl@capi-icpa.ca](mailto:devynckl@capi-icpa.ca).

## About the Canadian Agri-Food Policy Institute

As an independent, non-partisan policy catalyst, CAPI brings insight, evidence and balance to emerging issues. CAPI provides a neutral place to hold dialogues and generate perspectives among leaders across the food system. For more information, visit [www.capi-icpa.ca](http://www.capi-icpa.ca) or follow us on Twitter: [@CdnAgriFood](https://twitter.com/CdnAgriFood)

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